

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Agreement”) is made this 17th day of June, 2013 between Plaintiff Brenda J. Wright Youngblood (hereinafter referred to as “Plaintiff”), on behalf of herself and a class of similarly situated persons and entities as defined below, and Linebarger, Goggan, Blair & Sampson, LLP, a Texas limited liability partnership (hereinafter referred to as “Linebarger” or “Defendant”).

This Agreement is entered into to effect a full and final settlement and dismissal with prejudice of all claims asserted against Defendant in the lawsuit captioned under the federal case known as *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Docket No. 2:10-cv-02304, pending as an administratively closed action in the United States District Court for the Western District of Tennessee (hereinafter referred to as the “Federal Action”), and the Tennessee state case styled *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Case No. CH-13-0899-3, now pending in the Chancery Court of Shelby County Tennessee (hereinafter referred to as the “State Action”). The Federal Action and the State Action are collectively referred to herein as the “Actions.” The Plaintiff and Defendant are collectively referred to herein as the “Parties.”

Background

A. Linebarger is a national law firm that specializes in the collection of delinquent real property taxes and other debts owed to state and local governments.

B. On April 22, 2010, the Federal Action was filed against Linebarger. The Federal Action alleged that Linebarger received an unlawful 20% attorney fee from thousands of Tennessee delinquent real property taxpayers when it collected property taxes on behalf of the City of Memphis and brought claims under the Tennessee Consumer Protection Act (hereinafter referred to as the “TCPA”) of 1977, as amended, TENN. CODE ANN. §§ 47-18-101 to 47-18-125,

Conversion, Unjust Enrichment, Constructive Trust, Negligence and Gross Negligence and Punitive Damages in order to remedy this allegedly unlawful conduct. Thereafter, Linebarger filed an Answer denying all allegations and these claims as well as filed certain Motions to Dismiss the Federal Action which asserted, *inter alia*, that the District Court did not have subject matter jurisdiction over the Federal Action for a number of legal reasons. On March 22, 2011, the District Court dismissed Plaintiff's claims for violation of the TCPA and for Negligence and Gross Negligence but otherwise denied these Motions in the opinion *Wright v. Linebarger Goggan Blair & Sampson, LLP*, 782 F. Supp.2d 593 (W.D. Tenn. Mar. 22, 2011). On March 26, 2012, the District Court denied Linebarger's Motion for Permission to pursue an interlocutory appeal under 28 U.S.C § 1292(b) of that Order. *See Wright v. Linebarger Goggan Blair & Sampson, LLP*, No. 10-2304, 2012 U.S. Dist. LEXIS 40948 (W.D. Tenn. Mar. 26, 2012).

C. On September 30, 2012, the District Court certified a Class in the Federal Action defined as follows:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Youngblood v. Linebarger Goggan Blair & Sampson, LLP, No. 10-2304, 2012 U.S. Dist. LEXIS 142792 (W.D. Tenn. Sept. 30, 2012).

D. On October 15, 2012, Linebarger petitioned the United States Court of Appeals for the Sixth Circuit for permission to appeal the District Court's certification decision to which Plaintiff filed an Answer in Opposition on October 25, 2013. The Sixth Circuit issued its Order denying Linebarger's Petition on November 27, 2012.

F. During and after class certification was granted in the Federal Action, the Parties engaged in extensive merits related discovery in the Federal Action. Defendant produced well in excess of 50,000 documents in response to Plaintiff's documents requests and provided

numerous witnesses for deposition. Further Defendant deposed Plaintiff as well as certain witnesses of the City of Memphis. Furthermore, the Parties retained and designated experts witnesses in this matter. The Parties concluded merits discovery in the Federal Action on April 1, 2013.

G. On April 2, 2013, Defendant filed a Motion for Summary Judgment which, *inter alia*, challenged the District Court's subject matter jurisdiction on legal grounds that had not been previously considered and addressed by the District Court.

H. On April 10 and 11, 2013, the Parties conducted mediation before John Golwen, Esq. of BASS, BERRY & SIMS and, after extensive arm's length negotiations, were able to reach a proposed resolution, with Mr. Golwen's approval, which is set forth in detail in this Agreement.

I. Linebarger denies each and every allegation of wrongdoing or improper conduct in any of the Actions, denies that the requirements for a class action have been met in the Actions or that a class action should have been certified or should be maintained, and vigorously contests the claims against it.

J. The Parties agree that there are contested issues of law and fact between them concerning the allegations and claims made in the Actions.

K. Class Counsel believes that the claims that Plaintiff has asserted on behalf of herself and for the Class have merit; however, Class Counsel also recognizes that Linebarger has put forth defenses as to both liability and damages and that, in the event that the Actions are not settled, it would be necessary to continue to prosecute the Actions against Linebarger through trial and potentially through appeal. Further prosecution of the claims carries the risk that that Plaintiff will not prevail on her claims or that she will not receive all or a significant portion of the damages sought in the Actions. Additionally, Linebarger has indicated that it intends to appeal the District Court's ruling as to class certification and there is a probability that it would appeal substantive claim issues in the event that it did not prevail at trial. The appeal process

would (at a minimum) substantially delay the receipt of any benefits to the Class, potentially by a number of years.

L. Based on their investigation and discovery taken in the Actions, and balancing the costs and risks of further litigation against the benefit of settlement to the Class, Class Counsel and Plaintiff have concluded that a settlement as provided herein will be fair, reasonable, and in the best interests of the Class.

M. The Parties desire to settle all issues and claims that Plaintiff or the Class have brought or could have brought against Linebarger in the Actions. By agreeing to this settlement, Linebarger does not admit liability or surrender any legal or factual positions it has taken in the Actions or elsewhere with respect to the issues in the Actions; nor does it concede the invalidity of any of those positions.

N. The Parties intend to seek Court approval of this Agreement and the settlement set forth herein and this Agreement, which is conditioned upon the receipt of both preliminary and final approval the Shelby County Chancery Court.

Terms of Agreement

In consideration for the promises and mutual covenants set forth herein, and subject to the final approval by the Chancery Court of Shelby County, Tennessee (the “Court”) and entry of an Order Granting Final Approval of the terms set forth herein, the Parties agree as follows:

Definitions

1. **Defined Terms.** As used in this Agreement, the following terms shall be defined as follows:

i. “Actions” means the lawsuits *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Docket No. 2:10-cv-02304, pending as an administratively closed action in the United States District Court for the Western District of Tennessee (hereinafter referred to as the “Federal Action”), and the Tennessee state case styled *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Case

No. CH-13-0899-3, now pending in the Chancery Court of Shelby County Tennessee (hereinafter referred to as the "State Action")

ii. "Agreement" means this Class Action Settlement Agreement, including all attachments and exhibits. The term shall include any amendments to this document or to the attachments and exhibits, as long as such amendments are in writing and conform with the requirements of this Agreement.

iii. "Claim Deadline Date" means the date set by the Court by which all Claim Forms must be delivered to the Settlement Administrator as set forth in Section 25 of this Agreement.

iv. "Claim Form" means the form mailed to the Class identified in Section 23 and the form of which is attached as **Exhibit 3** to this Agreement.

v. "Class" means and is defined as:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Excluded from the Class are the Judge assigned to this matter and any member of the Judge's staff and immediate family

vi. "Class Counsel" means Watson & Burns, PLLC.

vii. "Class Member" means a member of the Class as defined in this Agreement.

viii. "Class Notice" means the mailed notice of the Settlement provided to the Class which is attached as **Exhibit 2** to this Agreement.

ix. "Class Notice Date" means the date of initial mailing of the Class Notice as set forth in Section 7 of this Agreement.

x. "Court" means the Chancery Court of Shelby County, Tennessee.

- xi. "Final Approval Order" means the order or orders of the Court giving final approval of the terms of the Settlement as fair, reasonable, and adequate and in the best interests of the Class as referenced in Section 34 of this Agreement.
- xii. "Final Judgment" means the order or orders of the Court dismissing the State Action with prejudice as referenced in Section 35 of this Agreement.
- xiii. "Plaintiff" means Brenda J. Wright Youngblood.
- xiv. "Parties" means Linebarger, Plaintiff, and the Class Members.
- xv. "Preliminary Approval Order" means the order or orders of the Court approving the terms and conditions of this Agreement and the Settlement for purposes of providing Class Notice as referenced in Section 2 of this Agreement.
- xvi. "Qualified Class Member" means a Class Member who, through compliance with the requirements for the Claim Form, establishes that he, she or it was the owner of real property that was subject to a delinquent real property tax lawsuit filed by Linebarger on behalf of the City of Memphis for the tax years 2003 to 2010 and who fully paid the 10% attorney fee received by Linebarger at issue as alleged in the Actions.
- xvii. "Release" means the release of claims set forth in Sections 18 and 19 of this Agreement.
- xviii. "Released Claims" means those claims that are subject to the Release and identified in Section 19 of this Agreement.
- xix. "Settlement" means the resolutions of the matters within the scope of this Agreement and the Release set forth herein.
- xx. "Ten Percent Attorney Fee" shall mean the 10% fee, calculated on the base tax amount owed by a delinquent real property tax payer to the City of Memphis, which each Qualified Class Member in fact paid, as referenced in Section 1, subsection xvi above.
- xxi. "Linebarger" means Linebarger, including all of its parents, subsidiaries and affiliated companies, its partners, associates, employees, agents and representatives.

Preliminary Approval

2. Preliminary Approval Order. As soon as reasonably possible after the execution of this Agreement, Plaintiff and Defendant shall file a Joint Motion with the Court seeking an order preliminarily approving the Settlement that is not materially different from **Exhibit 1** hereto, which:

- (a) preliminarily approves the Settlement in this Agreement as sufficiently fair, reasonable, and adequate to provide notice to the Class;
- (b) appoints CMM Settlement Solutions as Settlement Administrator in accordance with the provisions of Sections 5 through 11 of this Agreement;
- (c) approves the form of Class Notice, the content of which is not materially different from Exhibit 2 hereto;
- (d) directs that Class Notice be sent to persons identified as described in Section 3 herein by first class mail to the last known address for each such person and, for notices returned as undeliverable, directs the Settlement Administrator to follow the procedures set forth in Section 8 herein;
- (e) determines that the Class Notice and the notice methodology implemented pursuant to this Agreement (i) constitute the best practicable notice, (ii) are reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Actions, their rights to remain in the Class, to make a claim, and to object to or to exclude themselves from the proposed Settlement, (iii) are reasonable and constitute due, adequate, and sufficient notice to all persons entitled to receive notice, and (iv) meet all applicable requirements of Due Process;
- (f) requires the Settlement Administrator to file proof of mailing of the Mailed Notice at or before the Final Approval Hearing;
- (g) approves the Claim Form, the content of which is not materially different from Exhibit 3 hereto for distribution to Class Members and sets a date after which Claim Forms shall be deemed untimely (as provided in Section 25 below);

(h) requires each Class Member who wishes to exclude himself or herself from the Settlement to submit an appropriate, timely request for exclusion, postmarked no later than forty (40) days after the Class Notice Date to the Settlement Administrator at the address in the Class Notice;

(i) preliminarily enjoins all Class Members unless and until they have timely excluded themselves from the Settlement from: (i) filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances alleged in the Actions and/or relating to the Released Claims (as defined in Section 19); (ii) filing, commencing, or prosecuting a lawsuit or administrative, regulatory, arbitration, or other proceeding as a class action on behalf of any Class Members who have not timely excluded themselves from the Settlement (including by seeking to amend a pending complaint to include class allegations or seeking class certification in a pending action), based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in the Actions and/or the Released Claims; and (iii) attempting to effect a mass opt-out of Class Members or a class of individuals for claims and causes of action included within the Released Claims;

(j) rules that any Class Member who does not submit a timely, written request for exclusion from the Settlement will be bound by all proceedings, orders, and judgments in the Actions, even if such Class Member has previously initiated or subsequently initiates individual litigation or other proceedings encompassed by the Release (as set forth in Sections 18 and 19);

(k) requires each Class Member who has not submitted a timely request for exclusion from the Settlement and who wishes to object to the fairness, reasonableness, or adequacy of this Agreement or the proposed Settlement, or to the Attorney Fee Award or the Incentive Award, to provide to the Settlement Administrator (who shall forward it

to Class Counsel and counsel for Linebarger) and to file with the Court no later than thirty (30) days after the Class Notice Date, a statement of the objection, as well as the specific legal and factual reasons, if any, for each objection, including any support the Class Member wishes to bring to the Court's attention and all evidence the Class Member wishes to introduce in support of his or her objection, or be forever barred from raising an objection;

(l) requires each Class Member who files and serves a written objection and who intends to make an appearance at the Final Approval Hearing, either in person or through personal counsel hired at the Class Member's expense, to provide to the Settlement Administrator (who shall forward it to Class Counsel and counsel for Linebarger) and to file with the Court no later than twenty (20) days before the Final Approval Hearing, or as the Court otherwise may direct, a notice of intention to appear;

(m) directs the Settlement Administrator to establish a post office box to be used for receiving requests for exclusion, objections, notices of intention to appear, Claims Forms, and any other settlement-related communications, and providing that only the Settlement Administrator, Class Counsel, Linebarger, and their designated agents shall have access to this post office box, except as otherwise expressly provided in this Agreement;

(n) directs the Settlement Administrator to promptly furnish Class Counsel and counsel for Linebarger, with copies of any and all objections, written requests for exclusion, notices of intention to appear, or other communications that come into its possession (except as expressly provided in this Agreement);

(o) schedules a hearing on final approval of the Settlement and this Agreement (the "Final Approval Hearing") to consider the fairness, reasonableness, and adequacy of the proposed settlement and whether it should be finally approved by the Court; and

(p) contains any additional provisions, as agreed by the Parties, that might be necessary to implement the terms of this Agreement and the proposed settlement.

Administration and Class Notice

3. Class Member List. Within ten (10) business days after entry of the Preliminary Approval Date, Linebarger shall create a list of potential Class Members (“Class Member List”) to be provided to the Settlement Administrator, which shall include each Class Member’ last known mailing address. In preparing the Class Member List, Linebarger shall use the list of names of created and/or maintained by Linebarger when pursuing the delinquent real property tax suits on behalf of the City of Memphis for the tax years 2003 through 2010 in a digital/electronic or downloadable format.

4. Form of Class Notice. The Parties agree that the form of mailed notice to the Class (“Class Notice”) shall be in the form attached as **Exhibit 2** hereto. The Parties agree that they may change the form or contents of the Class Notice to conform with any requirements of the Court or as agreed by the Parties and that is not materially different from notice approved by the Court.

5. Settlement Administrator. The Parties agree to the appointment of CMM Settlement Solutions as Settlement Administrator to perform the services described herein.

6. Settlement Administrator Duties. The Settlement Administrator shall assist with various administrative tasks, including, without limitation, (i) mailing or arranging for the mailing of the Class Notice as set forth in Section 7; (ii) handling returned mail not delivered and making any additional mailings required under Section 8; (iii) responding, as necessary, to inquiries from Class Members and potential Class Members; (iv) providing to Class Counsel and counsel for Linebarger within five (5) business days of receipt copies of all objections, notices of intention to appear, and requests for exclusion from the Settlement; (v) preparing a list of all persons who timely requested exclusion from the Settlement and submitting an affidavit attesting to the accuracy of that list (the “Opt-Out List”); (vi) preparing a list of all persons who

submitted objections to the settlement and submitting an affidavit attesting to the accuracy of that list; (vi) receiving and reviewing Claim Forms; (vii) determining whether each Claim Form satisfies the eligibility requirements of Section 25, including whether the Claim Form was timely and fully completed and is accurate in all respects, as set forth in Section 27; (viii) calculating each Qualified Class Member's *pro rata* dollar amount to be paid from the Net Settlement fund, in accordance with Section 22; and (ix) preparing the Payment List described in Section 27 and submitting it to Linebarger and Class Counsel. Linebarger will supply the Settlement Administrator with all information and data reasonably available and necessary to implement its responsibilities under this Agreement.

7. Mailing of Class Notice. Within fifteen (15) days of receiving the Class Member List, the Settlement Administrator shall mail to each person on the list by first class mail a copy of the Class Notice and the Claim Form. Prior to such mailing, the Settlement Administrator shall update the addresses through use of the National Change of Address database. The date that said mailing is initially completed is the "Class Notice Date" as that term is used herein.

8. Re-Mailing of Returned Class Notices. The Settlement Administrator shall promptly re-mail any notices returned by the Postal Service with forwarding addresses that are obtained by the Settlement Administrator. Once the Settlement Administrator has re-mailed a noticed to a forwarded address, there shall be no further obligation to re-mail notices.

9. Class Notice Dates Govern. Unless the Court directs otherwise, the dates set forth in the Class Notice shall govern the rights of the Class Members.

10. Settlement Website. The Settlement Administrator shall maintain a website at [www.memphisattorneyfeeclasssettlement.com] and will include on the website information for the Settlement, this Agreement, Class Notice, and Claim Form. The website and its contents may be amended during the course of the Settlement as appropriate and agreed to by Class Counsel and counsel for Linebarger.

11. Payment of Settlement Administration Costs. Linebarger shall pay for all costs of settlement administration, including the Class Notice, the settlement website, and all costs of the

Settlement Administrator in an amount not to exceed \$150,000.00. Any costs charged by the Settlement Administrator in excess of \$150,000.00 shall be paid solely by Class Counsel. The Settlement Administrator shall invoice Linebarger directly for its costs and fees and Linebarger shall directly pay, via wire transfer, the Settlement Administrator's estimate invoice (up to an amount not to exceed \$150,000.00) within three (3) business days of the entry of the Preliminary Approval Order.

Class Member Options to Opt Out or Object

12. Opt Outs. All Class Members shall have thirty (30) days from the Class Notice Date to submit to the Settlement Administrator requests for exclusion from the Settlement. All requests for exclusion shall be prepared and directed in the manner set forth in the proposed Class Notice. A request for exclusion must include the following information: (i) the Class Member's full name, current address and phone number; and (ii) unequivocally state an intent not to participate in the Settlement and to waive all rights to benefits given in the Settlement. All requests for exclusion must be received by the Settlement Administrator and postmarked as having been mailed no later than thirty (30) days after the Class Notice Date. In the event that the Settlement Administrator does not receive a request for exclusion actually mailed by a Class Member, the Class Member may demonstrate that he or she timely mailed the request by providing proof of mailing through the use of certified mail or another mail-tracking service. If a Class Member timely and properly requests exclusion from the Class in accordance with this Section, that Class Member shall be excluded from the Settlement and shall not receive any benefits from the Settlement or under this Agreement. Any Class Member who does not submit a request for exclusion that meets the requirements of this Section and the Class Notice or as required by the Court shall be bound by this Agreement and the Release.

13. Class Objections. Any Class Member who does not make a timely request for exclusion from the Settlement shall have thirty (30) days from the Class Notice Date to object to the fairness, reasonableness, or adequacy of this Agreement or of the proposed Settlement or to

the Attorney Fee Award or Incentive Awards. Any such objection must be mailed to the Settlement Administrator (who shall forward it to Class Counsel and counsel for Linebarger) and filed with the Court no later than thirty (30) days after the Class Notice Date. The objection must include a statement of the objection or objections, as well as the specific legal and factual reasons, if any, for each objection, including any support the Class Member wishes to bring to the Court's attention and all evidence the Class Member wishes to introduce in support of his or her objection. Any Class Member who has not opted out of the Settlement and does not timely submit an objection in accordance with this Agreement, the Class Notice, and as ordered by the Court shall be treated as having consented to the Settlement and agreeing to the terms of this Agreement. Any objection that does not comply with this Section, the Class Notice, or as ordered by the Court shall not be considered by the Court and deemed waived. The Parties shall be entitled to conduct discovery of any objecting Class Member, if deemed necessary.

14. Appearance at Final Approval Hearing. Any Class Member who wishes to appear at the Final Approval Hearing, whether in person or through counsel, must file a notice of appearance with the Court and provide such notice to the Settlement Administrator (who shall forward it to Class Counsel and counsel for Linebarger) no later than twenty (20) days before the Final Approval Hearing or as the Court may otherwise direct. Any Class Member who fails to comply with this Section, the Agreement, the Class Notice, or as otherwise ordered by the Court shall not be permitted to appear at the Final Approval Hearing.

Injunction and Prohibition of Further Litigation

15. Preliminary Injunction. The Parties agree that a stipulated preliminary injunction shall be entered by the Court as part of the Preliminary Approval Order that enjoins all Class Members who have not timely excluded themselves from the Settlement from: (i) filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts

and circumstances alleged in the Actions and/or relating to the Released Claims; (ii) filing, commencing, or prosecuting a lawsuit or administrative, regulatory, arbitration, or other proceeding as a class action on behalf of any Class Members who have not timely excluded themselves from the Settlement (including by seeking to amend a pending complaint to include class allegations or seeking class certification in a pending action), based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances relating thereto, in the Actions and/or the Released Claims; and (iii) attempting to effect a mass opt-out of Class Members or a class of individuals for claims and causes of action included within the Released Claims.

16. Permanent Injunction. The Parties agree that a stipulated permanent injunction shall be entered by the Court as part of the Final Order and Judgment that bars and permanently enjoins all Class Members who have not properly and timely excluded themselves from the Settlement from filing, commencing, prosecuting, intervening in, continuing, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances alleged in the Actions and/or relating to the Released Claims.

17. Prohibition of Future Claims. Plaintiff, on behalf of themselves and the Class, and Class Counsel agree not to initiate or to prosecute any additional litigation against Linebarger relating to the Released Claims as defined in Sections 18 and 19 below.

Release of Claims by the Class and Dismissal of Actions

18. Release of Claims. As used in this Agreement, the term "Release" means the agreements and obligations set forth in Section 19 of this Agreement. Plaintiff, and all other Class Members who have not excluded themselves from the Settlement, hereby expressly release and forever discharge Linebarger and the City of Memphis and all of their present, former, and future officers, directors, employees, shareholders, agents, successors, assigns, parents, subsidiaries, affiliates, insurers, attorneys, and legal representatives ("Releasees") of and from

any and all Released Claims (as defined in Section 19) and agree that they shall not now or hereafter initiate, maintain, or assert against any of the Releasees any causes of action, claims, rights, demands, or claims for equitable, legal, and/or administrative relief connected with, arising out of, or related to the Released Claims in any court or before any administrative body (including any state department, regulatory agency, or organization), tribunal, arbitration panel, or other adjudicating body.

(a) Without in any way limiting the scope of the Release, this Release covers, without limitation, any and all claims for attorneys' fees, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or any Class Members, or by Plaintiffs or Class Members, or any of them, in connection with or related in any manner to the Actions, the settlement of the Actions, the administration of such settlement, and/or the Released Claims.

(c) Nothing in this Release shall preclude any action to enforce the terms of this Agreement, including participation in any of the processes detailed herein.

(d) Subject to Court approval, all Class Members who do not exclude themselves from the Settlement shall be bound by this Agreement, and all of their claims, as provided under this Agreement, shall be dismissed with prejudice and released, even if they never received actual notice of the Actions or the Settlement.

19. Definition of Released Claims. For purposes of this Agreement, "Released Claims" include any and all claims for relief or causes of action pursuant to any theory of recovery, including but not limited to claims based in contract or tort, common law or equity, and federal, state, or local law, statute, ordinance, or regulation arising out of, relating to, or in connection with Linebarger's delinquent real property tax collection activities on behalf of the City of Memphis for the tax years 2003 through the present. "Released Claims" include all claims that were or that could have been asserted in the Actions and all such claims whether known or unknown, alleged or not alleged in the Actions, suspected or unsuspected, contingent or matured.

Released Claims do not include claims that concern, refer or relate to allegations that the City of Memphis wrongfully foreclosed on any real property and/or that the City of Memphis' tax assessment of real property was incorrect and/or otherwise improper.

20. Dismissal of Claims with Prejudice. On behalf of themselves and the Class, Plaintiff stipulates and agrees to dismiss the Actions with prejudice and the Parties will include the dismissal of the Actions with prejudice in the Final Judgment described in Section 35 of this Agreement.

Linebarger's Payment to Qualified Class Members

21. Gross Settlement Amount: Linebarger shall pay or cause to be paid a total amount of \$7,400,000.00 (hereinafter the "Gross Settlement Amount") to the Settlement Class on a limited fund, claims made basis in accordance with the terms stated herein in exchange for a full release described in Sections 18, 19 and 20 above. Any Attorney's Fees and Expenses approved by the Court as set forth in Sections 31 and 32 below shall be deducted from the Gross Settlement Amount, with the resulting net amount (hereinafter referred to as the "Net Settlement Fund") to be distributed to the Settlement Class Members in accordance with the terms set forth below.

22. Payments to each Qualified Class Member. Linebarger agrees that it shall make a payment from the Net Settlement Fund to each Qualified Class Member who timely submits a fully completed Claim Form as set forth in Section 25. The payment to each Qualified Class Member shall be calculated by the Settlement Administrator as follows : the dollar amount of each Qualified Class Member's Ten Percent Attorney Fee paid for each applicable real property tax year reduced by (i) the Qualified Class Member's *pro rata* share of the award of Attorney's Fees and Expenses as set forth in Sections 31 and 32 (the "Net Class Member Payment") and (ii), only in the event that the dollar amount of all Net Class Member Payments in the aggregate exceed the Net Settlement Fund, the Qualified Class Member's *pro rata* share of the Net Settlement Fund. In no event shall each Qualified Class Member's Net Class Member Payment

Amount ever exceed two-thirds (2/3) of the Ten Percent Attorney Fee paid by said Class Member.

Claim Forms

23. Claim Form. The Claim Form shall not be materially different from **Exhibit 3**.

24. Contents of Claim Form. The Claim Form shall require, and each person submitting a Claim Form shall provide, the following information:

(a) Name, current address(es), current telephone number(s), social security number, and the tax years that the Class Member reasonably believes he, she or it was sued by the City of Memphis for delinquent real property taxes.

(b) The representation (signed under oath before a Notary Public) that the Class Member was sued by the City of Memphis for delinquent real property taxes for any of the tax years for 2003 through 2010 and that the Class Member was in fact the person or entity who fully paid the amount requested by the City of Memphis in the tax lawsuit and that no other person or entity made any such payment.

25. Eligibility for Payment. To be eligible for any monetary payment set forth in Section 22 of this Agreement, a Class Member must (a) truthfully, accurately, and completely fill out the Claim Form; (b) sign the Claim Form under oath before a Notary Public; and (c) mail the Claim Form, with postage prepaid, to the Settlement Administrator postmarked on or before thirty (30) days after the Final Approval Hearing. The Claim Form must be received by the Settlement Administrator and postmarked as having been mailed no later than thirty (30) days after the Final Approval Hearing (the "Claim Deadline Date").

26. Failure to Meet Requirements of Claim Form. The failure by a Class Member to timely and fully comply with the requirements set forth in Section 25 above will result in the Class Member forfeiting the right to receive payment under any provision of this Agreement.

27. Determination of and Payments to Qualified Class Members. The Settlement Administrator shall review all Claim Forms submitted by the Class and shall determine (i)

whether the Claim Form is submitted by an actual Class Member, (ii) whether the Claim Form is timely and meets all of the requirements of Section 25 and this Agreement, and (iii) the Qualified Class Member's *pro rata* dollar amount to be paid from the Net Settlement fund, in accordance with Section 22. The Settlement Administrator shall prepare a list of all Qualified Class Members to be paid in accordance with this Agreement (the "Payment List"), which shall include the designated payment to each Class Member. The Settlement Administrator shall submit the Payment List to Linebarger and Class Counsel within sixty (60) days of the Claim Deadline. Linebarger shall mail payment to all Class Members on the Payment List (other than those to whom Linebarger timely challenges in accordance with Section 28 below) within thirty (30) days of its receipt of the Payment List and shall confirm in writing to the Settlement Administrator and Class Counsel that it has done so; provided; however, there is no pending appeal of the Final Approval Order at this time. In the event that there is a timely appeal of the Final Approval Order pending at this time, Linebarger's obligation to mail payment to all Class Members on the Payment List shall be suspended during said appeal and, upon the affirmance of the Final Approval Order on appeal, Linebarger shall mail said payments within thirty (30) days of the entry of the order affirming the Final Approval Order. If multiple Claim Forms are timely and validly submitted in accordance with the terms herein for the same delinquent real property, only one check with respect to said delinquent real property shall be issued, which shall include the names of all Qualified Class Members and any other persons or entities who were the record owners of said property. All such checks issued by Linebarger as payment to Qualified Class Members must be negotiated by the Qualified Class Member within ninety (90) days of the date that the check is dated as issued and shall contain the statement that said checks are "void after 90 days."

28. Challenges to Claim Forms. Linebarger shall have the right to challenge the whether a Claim Form meets the requirement of Section 25 and/or the Settlement Administrator's payment determination under Section 27. In the event that Linebarger

challenges a Claim Form or payment amount, it shall notify Class Counsel and the Settlement Administrator of its challenge and the basis therefore in writing within ten business (10) days after its receipt of the Payment List. Within ten (10) business days of such notification, Class Counsel may either agree that the Claim Form or documentation fails to meet the requirements of this Agreement or contest Linebarger's challenge. In the event that Class Counsel contests Linebarger's challenge, Linebarger and Class Counsel shall confer within fifteen (15) days to determine whether they can resolve their disagreement. If Linebarger and Class Counsel are unable to resolve the disagreement, the Parties shall submit to the Court for the determination of whether the Claim Form and/or documentation meets the requirements of this Agreement. Linebarger and Class Counsel may each submit an explanation of their position to the Court; and the Court shall determine compliance based on the Claim Form and the submissions of the Parties.

Class Counsel's Indemnification of Certain Claims and Indemnity Payment

29. In order to effectuate a settlement and make benefits available to Class Members, Class Counsel agrees to risk any attorney fee award that may be approved by the Court for the benefit of Class Members and, thus, hereby agrees to indemnify and hold Linebarger harmless for claim payments that are required to be made from the Net Settlement Amount in accordance with Sections 22 and 25 which exceed forty percent (40%) of all claims that could have been submitted by the Class Members (the "40% Claim Rate"); provided, however, that Class Counsel's indemnity obligation to Linebarger shall not exceed the total dollar amount of attorneys' fees and expenses actually approved and awarded to Class Counsel by the Court in this matter. In consideration for this indemnity and in order to compensate Class Counsel for risking all or part of any attorney fee and expenses that may be awarded by the Court, Linebarger agrees to pay a risk premium (the "Risk Premium") in the amount of Five Hundred Thousand Dollars (\$500,000.00) to Class Counsel separate and apart from any attorney fee and expense that the Court may approve and award in this matter. Specifically, Class Counsel's indemnity obligation to reimburse Linebarger for claims made by Qualified Class Members that exceed the

40% Claim Rate shall not exceed the amount of the attorneys' fees and expenses, if any, awarded in this matter. Linebarger shall make the Risk Premium payment to Class Counsel, via wire transfer, within three (3) days of the entry of the Preliminary Approval Order.

Attorney Fee Award and Incentive Award

30. Application for Attorney Fee and Incentive Award. Plaintiff and Class Counsel shall make application, in writing at least twenty (20) days prior to the Final Approval Hearing, for any awards to them for Attorneys' Fees, and Expenses, and Incentive Awards. Any application shall be consistent with this Agreement. They shall also file, at the same time, any evidence and legal authorities that they deem appropriate in support of such awards. The application shall be separate from the motion for final approval of this Settlement.

31. Attorney Fee Award and Incentive Award. Class Counsel may apply to the Court for an award of Attorneys' Fees and Expenses in an amount up to, but not exceeding, Two Million, Four Hundred and Sixty-Six Thousand, Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents (\$2,466,666.67) ("Attorney Fee Amount"), which shall be paid from the Gross Settlement Fund. Linebarger agrees that the Attorney Fee Amount is fair and reasonable under the circumstances of this matter and shall support Class Counsel's application for same at the Final Approval Hearing. The Parties agree that Plaintiff may apply to the Court for an incentive award to Plaintiff in an amount up to, but not exceeding, Ten Thousand Dollars (\$10,000.00) (the "Incentive Award"). The Incentive Award shall be paid by Linebarger separate and apart from the Gross Settlement. Linebarger agrees not to contest the application for such awards as long as Plaintiff and Class Counsel comply with this Agreement.

32. No Minimum Fee Award. The Parties expressly agree that the terms of this Amended Agreement are not conditioned upon any minimum attorneys' fees award to Class Counsel or minimum incentive award to the Plaintiff being approved by the Court. If the Court denies, in whole or in part, Class Counsel's fee and cost application and/or the Incentive Award, the remainder of the terms of this Agreement and of the Settlement shall remain in effect.

33. Payment of Attorney Fee Award and Incentive Award. Any Attorney Fee Award to Class Counsel and Incentive Award to Plaintiff shall be paid by Linebarger, by wire transfer to Class Counsel's escrow account, within three (3) days of the entry of the Final Approval Order, provided that there is no timely appeal of the Final Approval Order pending at this time. In the event that there is a timely appeal of the Final Approval Order pending at this time, Linebarger's obligation to make these payments shall be suspended during said appeal and, upon any affirmance of the Final Approval Order on appeal, Linebarger shall make said payments within three (3) days of the entry of the order affirming the Final Approval Order.

Final Approval Order

34. Final Approval Order. If the Court preliminarily approves the Settlement and enters the Preliminary Approval Order, Plaintiffs and Class Counsel shall request the Court to enter the Final Approval Order, not materially different from that attached hereto as **Exhibit 4** (the "Final Approval Order"), that, among other things:

(a) adopts and incorporates this Agreement, the terms defined herein, and all exhibits hereto;

(b) authorizes the Parties, without further approval from the Court, to agree to and to adopt such amendments, modifications, and expansions of this Agreement and all Exhibits hereto as long as they (i) are consistent in all material respects with the Final Order and Judgment and (ii) do not reduce the rights of Class Members under this Agreement or in the Final Order and Judgment;

(c) finds that the Court has personal jurisdiction over the Class Members and that the Court has subject matter jurisdiction to approve this Agreement and all Exhibits hereto;

(d) confirms the definition of the Class for purposes of this Settlement and the Final Approval Order;

(e) finds that the Class Notice and the notice methodology implemented pursuant to this Agreement (i) constitute the best practicable notice; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Lawsuit, their right to object to or to exclude themselves from the Settlement and to appear at the Final Approval Hearing, and their right to seek monetary and other relief; (iii) are reasonable and constitute due, adequate, and sufficient notice to all persons entitled to receive notice; and (iv) meet all applicable requirements of Due Process;

(f) finds that full opportunity has been afforded to all Class Members to request exclusion from the Settlement, to file objections to the Settlement, and to participate in the Final Approval Hearing, and that all Class Members and other persons wishing to be heard have been heard;

(g) approves the Opt-Out List provided by the Settlement Administrator, if any, and determines that the Opt-Out List is a complete list of all Class Members who have properly and timely requested exclusion from the Settlement and, therefore, are not members of the Class; and further provides that those persons shall neither share in the Settlement benefits nor be bound by the Final Order and Judgment;

(h) gives final approval to the Settlement and this Agreement as being fair, reasonable, and adequate as to, and in the best interests of, each of the Plaintiffs and Class Members, and is consistent and in compliance with all requirements of Due Process and further directs the Parties and their counsel to implement and consummate this Agreement in accordance with its terms and provisions;

(i) directs that Class Members may submit Claim Forms pursuant to this Agreement and in accordance with and subject to paragraphs 23 through 28 of this Agreement and sets a final date for receipt of Claim Forms;

(j) directs that Linebarger shall pay Qualified Class Members in accordance with paragraphs 22 through 28 of this Agreement within 90 days of the deadline for submission of Claim Forms;

(k) bars and permanently enjoins all Class Members who have not properly and timely excluded themselves from the Settlement from filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances alleged in the Actions and/or relating to the Released Claims;

(l) addresses Class Counsel's and Plaintiff's application for an award of attorneys' fees and costs to Class Counsel; and

(m) addresses Plaintiff's application for an incentive award to Plaintiff and provides that the payment for such awards shall be separate from and not affect the payments available to Qualified Class Members who submit timely and proper Claim Forms in accordance with the requirements of this Agreement;

35. **Final Judgment.** If the Court enters the Final Approval Order set forth in Section 34, Plaintiffs and Class Counsel shall request the Court to enter the Final Judgment Order on or before December __ 2014, not materially different from that attached hereto as **Exhibit 5** (the "Final Judgment"), that, among other things:

(a) enters Final Judgment in accordance with the terms of the Final Approval Order, and further orders that the complaints in each of the Actions (including all individual and class claims presented thereby) are dismissed with prejudice as to Linebarger without fees or costs to any Party except as provided therein;

(b) without affecting the finality of the Final Judgment for purposes of appeal, reserves jurisdiction over Linebarger, the Plaintiff, and the Class as to all matters relating to the administration, consummation, enforcement, and interpretation of the terms of the

Settlement, this Agreement, and the Final Judgment, and for any other necessary purposes.

Representations and Warranties

36. Plaintiffs and Class Counsel warrant and represent that they shall take no action to defeat the jurisdiction of the Court; shall take all appropriate action to oppose and to prevent the prosecution of any competing litigation in which a Class Member seeks to undermine, thwart, overturn, frustrate, or avoid the Settlement; use their best efforts to cause the Court to grant the Preliminary Approval Order and Final Order and Judgment as promptly as possible; shall use their best efforts to respond to any and all non-meritorious objections to the Settlement and any and all attempts to opt out of the Settlement on anything other than an individualized basis; and shall take or join in such other reasonable steps as may be necessary to implement this Agreement and to effectuate the Settlement. Without limiting the foregoing, Plaintiffs and Class Counsel represent and warrant that they shall: (a) seek preliminary and final approval of the Settlement by the Court; (b) move for entry of the Preliminary Approval Order and Final Order and Judgment; and (c) join in the entry of such other orders or revisions of orders or notices necessary to effectuate the Settlement.

37. Plaintiff and Class Counsel warrant and represent that Plaintiffs own their own claims at issue in the Actions and have authority on behalf of themselves and on behalf of the Class to settle those claims on the terms set forth in this Agreement.

38. Plaintiff and Class Counsel warrant and represent that they shall not disparage Linebarger.

39. Plaintiff and Class Counsel represent and warrant that they have not and will not: (a) solicit, encourage, or assist, in any fashion, Class Members to opt out of the Settlement; (b) solicit, encourage, or assist, in any fashion, any effort by any person to object to the Settlement; or (c) appeal from or seek review of any order that approves the Settlement. Nothing in this provision shall prevent Class Counsel from advising a Class Member of his or her individual right to request exclusion from the Class or of the right to object to the Settlement.

40. Linebarger warrants and represents that, for so long as this Agreement is valid and it has not withdrawn from the Agreement pursuant to Sections 42 through 48, it shall take no action to defeat the jurisdiction of the Court; shall take all appropriate action to oppose and prevent the prosecution of competing litigation in which a Class Member seeks to undermine, to overturn, or to avoid the Settlement; shall support and not oppose efforts to cause the Court to grant the Preliminary Approval Order and Final Approval Order as promptly as possible; and shall take or join in such other reasonable steps as may be necessary to implement this Agreement and to effectuate the Settlement. Without limiting the foregoing, Linebarger warrants and represents that it shall: (a) not oppose entry of the Preliminary Approval Order and Final Order and Judgment; and (b) join in the entry of such other orders or revisions of orders or notices necessary to effectuate the Settlement.

41. Plaintiff, Linebarger, and Class Counsel represent and warrant that they are fully authorized to enter into this Agreement and to carry out the obligations provided for herein. All persons executing this Agreement on behalf of a Party represent and warrant that they are and have been fully authorized to do so by such Party.

Right to Withdraw From Agreement

42. Failure to Obtain Court Approval. Within fifteen (15) days of the occurrence of any of the following events, and upon written notice to counsel for the other Parties, any Party shall have the right to withdraw from the settlement:

(a) if the Court fails to approve this Agreement or if, on appeal, the Court's approval is reversed or modified; or

(b) if the Court materially alters any of the terms of this Agreement, including but not limited to the definition of the Class or changing any amounts to be paid by Linebarger to Class Members pursuant to this Agreement; or

(c) if the Preliminary Approval Order, as described in Section 2, or the Final Approval Order, as described in Section 34, is not entered by the Court, or is reversed or modified on appeal, or otherwise fails for any reason.

In the event of a withdrawal pursuant to this Section, this Agreement will be vacated without prejudice to any Party's position on any of the issues in the Actions and the Parties shall be restored to their litigation positions existing immediately before the execution of this Agreement.

43. Excessive Opt Outs. If 5000 or more Class Members submit requests for exclusion from the Class as set forth in Section 12, then Linebarger may withdraw from this Agreement. In that event, this Agreement will be vacated without prejudice to any Party's position on any of the issues in the Actions and the Parties shall be restored to their litigation positions existing immediately before the execution of this Agreement. In order to withdraw from this Agreement on the basis set forth in this Section 43, Linebarger must notify Class Counsel in writing of its election to do so within twenty (20) days after the Opt-Out List has been served on the Parties by the Settlement Administrator.

44. Failure to Finalize Settlement. If, for any reason, this Agreement fails to become effective because of failure to meet the conditions of Sections 42 or 43, the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties shall be restored to their litigation positions existing immediately before the execution of this Agreement.

45. Communications with Media Regarding Settlement. Plaintiffs, Class Counsel, and all other counsel of record for Plaintiffs hereby agree not to engage in any communications with the media or press, on the Internet, or in any public forum, orally or in writing, that relate to this Settlement or the Actions, other than statements that are the same or substantially similar to the statements in the Class Notice.

46. No Concession or Admission of Fault or Liability; Agreement Not Admissible. By entering into this Agreement, the Parties agree that Linebarger does not admit and is not admitting any liability to Plaintiffs, the Class, or any other person or entity, and that Linebarger

expressly denies all such liability. Moreover, the Parties agree that Linebarger does not admit and is not admitting any allegation in any of the complaints in the Actions other than as specifically admitted in its answers to the various complaints in the consolidated Actions and that Linebarger expressly denies all liability and any and all allegations of wrongdoing or improper conduct. Linebarger's sole motivation for entering into this Agreement is to dispose expeditiously of the claims that have been asserted against it in the Actions by settlement and compromise rather than to incur further expense in defense of those claims and the uncertainty of protracted litigation. No portion of this Agreement may be admitted into evidence in any action, lawsuit, arbitration, or legal proceeding except as required to enforce this Agreement and/or to cease or enjoin other litigation pursuant to Sections 17 and 18 of this Agreement.

Additional Provisions

47. Headings and Captions. The headings and captions contained in this Agreement are for reference purposes only and in no way define, extend, limit, describe, or affect the scope, intent, meaning, or interpretation of this Agreement.

48. Choice of Law. This Agreement shall be construed, enforced, and administered in accordance with the laws of the State of Tennessee.

49. Retained Jurisdiction of the Court. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and the Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in this Agreement.

50. Further Actions. In the event that there are any developments in the effectuation and administration of this Agreement that are not dealt with by the terms of this Agreement, then such matters shall be dealt with as agreed upon by the Parties, and, failing agreement, as shall be ordered by the Court.

51. Entire Agreement. Except as otherwise stated herein, this Agreement and its Exhibits constitute the entire agreement between and among the Parties with respect to the

settlement of the Actions. This Agreement shall not be construed more strictly against one Party than another merely because of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations resulting in the Agreement, all Parties hereto have contributed substantially and materially to the preparation of this Agreement. This Agreement supersedes all prior negotiations and agreements (except as otherwise stated herein) and may not be modified or amended except by a writing signed by the Parties and their respective counsel. This Section 58 does not apply to any agreement with the Settlement Administrator.

52. Execution in Counterparts. This Agreement may be executed in counterparts each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

53. Integration of Exhibits. The Exhibits to this Agreement are an integral part of the Settlement and are hereby incorporated and made part of this Agreement.

54. Execution of Additional Necessary Documents. The Parties hereto shall execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement. The executing of documents must take place prior to the date scheduled for the Final Approval Hearing.


55. Independent Judgment. Each Party to this Agreement warrants that he, she, or it is acting upon his, her, or its independent judgment and upon the advice of his, her, or its counsel and not in reliance upon any warranty or representation, express or implied, of any nature or kind by any other party, other than the warranties and representations expressly made in this Agreement.

CONSENTED AND AGREED TO AS OF
June 17th, 2013:

CLASS COUNSEL

On behalf of Plaintiff Brenda J. Wright Youngblood and all
Settlement Class Members:

WATSON BURNS, PLLC



Frank L. Watson, III (Tenn. Bar No. 15073)

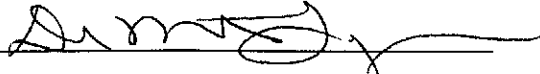
William F. Burns (Tenn. Bar No. 17908)

253 Adams Avenue

Memphis, Tennessee 38103

(901) 529-7996

LINEBARGER, GOGGAN, BLAIR & SAMPSON, LLP:

By: 

Title: Capital Partner

**Exhibit No. 1 – [Proposed] Order Granting Preliminary
Approval of Class Settlement**

IN THE CHANCERY COURT OF TENNESSEE
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS

BRENDA J. WRIGHT YOUNGBLOOD, on)
behalf of herself and all similarly situated)
persons and entities,)

Case No. _____

PLAINTIFFS,)

v.)

LINEBARGER GOGGAN BLAIR &)
SAMPSON, LLP, a Texas limited liability)
partnership)

DEFENDANTS.)

**[PROPOSED] ORDER PRELIMINARILY APPROVING PROPOSED CLASS
SETTLEMENT AND FORM OF NOTICE, DIRECTING THAT NOTICE BE SENT,
AND SETTING FINAL APPROVAL HEARING**

Plaintiff Brenda J. Wright Youngblood (hereinafter referred to as "Plaintiff"), on behalf of herself and a class of similarly situated persons and entities as defined below, and Linebarger, Goggan, Blair & Sampson, LLP, a Texas limited liability partnership (hereinafter referred to as "Linebarger" or "Defendant") have entered into a Class Action Settlement Agreement, dated June __, 2013 (the "Agreement") to settle the claims of Plaintiffs and the Class against Linebarger at issue in these consolidated actions. Plaintiff and Defendant have filed a Joint Motion for Order Preliminarily Approving Settlement and Form of Notice, Directing that Notice Be Sent, and Setting Final Approval Hearing (the "Motion for Preliminary Approval"). The Agreement sets forth the terms and conditions for a proposed settlement and dismissal with

prejudice of the complaints against Linebager.

Having reviewed the Agreement, the Motion for Preliminary Approval, and the pleadings and other papers on file in this action, the Court finds that the Motion for Preliminary Approval should be **GRANTED** and that this Order should be entered. The Court gives its preliminary approval to the settlement in the Agreement, subject to a Final Approval Hearing held for purposes of deciding whether to grant final approval to the settlement. Terms and phrases used in this Order shall have the same meaning ascribed to them in the Agreement.

IT IS HEREBY ORDERED, ADJUDGED, DECREED AS FOLLOWS:

I. Pursuant to Tenn. R. Civ. P. 23.02(3) and 23.03(3), this Court hereby certifies a Class in this action as follows:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Excluded from the Class are the Judge assigned to this matter and any member of the Judge's staff and immediate family.

This Class definition shall be used for purposes of the Settlement addressed herein.

II. The Court hereby appoints the following attorneys to act as Class Counsel representing the Settlement Class:

Frank L. Watson, III (Tenn. Bar No. 15073)
William F. Burns (Tenn. Bar No. 17908)
WATSON BURNS, PLLC
253 Adams Avenue
Memphis, Tennessee 38103

III. The Court appoints as Settlement Administrator:

CMM Settlement Solutions
P.O. Box 17233
Memphis, Tennessee 38187

IV. The Court preliminarily approves the proposed settlement as sufficiently fair, reasonable, and adequate to allow the dissemination of notice of the proposed settlement to the members of the Class. This determination permitting notice to the Class is not a final finding, but a determination that there is sufficient cause to submit the Agreement and proposed settlement to the Class members and to hold a Final Approval Hearing to consider the fairness, reasonableness, and adequacy of the proposed settlement.

V. The Court makes the following orders regarding Notice to Class members:

A. The Court approves the proposed form of Notice of Proposed Class Action Settlement and Release of Claims (the "Class Notice") not materially different from Exhibit 2 attached to the Agreement.

B. The Court directs that by _____, 2013, Linebarger shall deliver to the Settlement Administrator a list of Class Members ("Class Member List"), which shall include each Class Member' last known mailing address.

C. The Court further directs the Settlement Administrator to mail the Class Notice on or before _____, 2013 unless the date is extended by Order of this Court, to all persons whose names appear on the Potential Class Member List information.

D. The Court further directs the Settlement Administrator promptly to re-mail any notices returned by the Postal Service with forwarding addresses, if any, that are obtained by the Settlement Administrator after a reasonable search.

E. The Court directs the Settlement Administrator to maintain the Internet

website [www.memphisattorneyfeeclassttlement.com] for sixty (60) days after the entry of the Final Approval Order (as defined in the Agreement) that shall include, at a minimum, downloadable copies of the Agreement (including exhibits), the Class Notice, the Claim Form, and a copy of this Order.

F. The Court finds and determines that dissemination of the Class Notice as set forth herein and in the Agreement complies with Tenn. R. Civ. P. 23.03(3) and 23.05 and (i) constitutes the best practicable notice under the circumstances, (ii) is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Actions, their rights to remain in the Class, to make a claim, and to object to or to exclude themselves from the proposed Settlement, (iii) is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to receive notice, (iv) meets all applicable requirements of Due Process; (v) and properly provides notice of the attorney's fees, expenses and payments that Class Counsel may seek in this action

G. The Court orders the Settlement Administrator to file proof of mailing of the Class Notice at or before the Final Approval Hearing.

VI. The Court makes the following orders regarding the Claim Form for Class members:

A. The Court approves the proposed form of Claim Form not materially different from Exhibit 3 attached to the Agreement.

B. The Claim Form shall be distributed by the Settlement Administrator with the Class Notice.

C. Any Claim Form postmarked more than thirty (30) days after the Final Approval Hearing shall be untimely and invalid.

VII. Any member of the Class who wishes to be excluded from the Settlement must comply with the terms set forth in Paragraph 4 of the Class Notice and submit an appropriate and timely request for exclusion that must be received by the Settlement Administrator and postmarked no later than _____, 2013. Any Class member who complies with the terms set forth in Paragraph 4 of the Class Notice and who timely requests exclusion from the Settlement in accordance with the Class Notice shall not be bound by any orders or judgments entered in the Actions and shall not be entitled to receive any benefits provided by the settlement in the event it is finally approved by the Court.

VIII. Any member of the Class who does not timely request exclusion from the Settlement as set forth in the Class Notice shall be bound by all proceedings, orders, and judgments in the Actions, even if such member of the Class has previously initiated or subsequently initiates individual litigation or other proceedings encompassed by the Release and Released Claims, as described and defined in Sections 18, 19 and 20 of the Agreement. Members of the Class who do not timely request exclusion as set forth in the Class Notice are also preliminarily enjoined from: (i) filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of action, or the facts and circumstances alleged in the Actions and/or relating to the Released Claims (as defined in Section 19); (ii) filing, commencing, or prosecuting a lawsuit or administrative, regulatory, arbitration, or other proceeding as a class action on behalf of any Class Members who have not timely excluded themselves from the Settlement (including by seeking to amend a pending complaint to include class allegations or seeking class certification in a pending action), based on, relating to, or arising out of the claims

and causes of action, or the facts and circumstances relating thereto, in the Actions and/or the Released Claims; and (iii) attempting to effect a mass opt-out of Class Members or a class of individuals for claims and causes of action included within the Released Claims;

IX. Any Class Member who has not submitted a timely request for exclusion from the Settlement as set forth in the Class Notice and who wishes to object to the fairness, reasonableness, or adequacy of the Agreement or the proposed Settlement, or to the Attorney Fee Award or the Incentive Awards or any other aspect of the Agreement, must provide to the Settlement Administrator (who shall forward it to Class Counsel and counsel for Linebarger) and file with the Clerk of Court no later than _____, 2013, a statement of the objection, as well as the specific legal and factual reasons, if any, for each objection, including any support the Class Member wishes to bring to the Court's attention and all evidence the Class Member wishes to introduce in support of his or her objection. Any objecting Class member must also attach to the statement of objection the summons or any other court document reflecting that the objecting Class member was sued for delinquent real property taxes by the City of Memphis during the class period and, thus, is a member of the Settlement Class. Failure to adhere to these requirements bars the objection. The Parties may file responses to any objections no later than seven (7) days prior to the Final Approval Hearing.

X. Any member of the Class who timely files and serves a written objection may appear at the Final Approval Hearing, either in person or through an attorney, if the Class member files a Notice of Intention to Appear with the Clerk of the Court no later than twenty (20) days before the Final Approval Hearing. A Class member wishing to appear at the Final Approval Hearing must also mail a copy of the Notice of Intention to Appear to the Settlement Administrator twenty (20) days before the Final Approval Hearing. Failure to adhere to these

requirements will bar the Class member from being heard at the Final Approval Hearing.

XI. The Settlement Administrator shall rent a post office box in the name of the Settlement Administrator to be used for receiving requests for exclusion, objections, notices of intention to appear, and any other settlement-related communications. Only the Settlement Administrator and its designated agents shall have access to this post office box, except as otherwise expressly provided in the Agreement.

XII. Within five (5) business days of receipt, the Settlement Administrator shall furnish Class Counsel and counsel for Linebarger with copies of any and all objections, written requests for exclusion, notices of intention to appear, or other communications that come into its possession, except as expressly provided in the Agreement.

XIII. Any petition or application by Class Counsel for an award of attorneys' fees, reimbursement of litigation costs and expenses, and for Incentive Awards as described in Sections 30, 31 and 32 of the Agreement, shall be filed no later than twenty (20) days prior to the Final Approval Hearing.

XIV. A Final Approval hearing shall be held on _____, 2013 at __:__.m. for the purpose of determining (a) whether the proposed settlement is fair, reasonable, and adequate and should be finally approved by the Court; (b) whether to issue a final judgment without material alteration from the form in Exhibit 4 to the Agreement; and (c) ruling on any petition by Class Counsel for award and approval of attorneys' fees to Class Counsel, reimbursement of litigation costs and expenses, any other payments and incentive awards.

XV. The Court reserves the right to adjourn or to continue the Final Approval Hearing, or any further adjournment or continuance thereof, without further notice other than announcement at the Final Approval Hearing or at any adjournment or continuance thereof; and

to approve the Settlement with modifications, if any, consented to by Class Counsel and Linebarger without further notice.

XVI. All pretrial proceedings and deadlines in the Actions are stayed and suspended until further order of this Court.

DATED this ___ day of June 2013

CHANCELLOR

APPROVED FOR ENTRY:

Frank L. Watson, III (Tenn. Bar No. 15073)
William F. Burns (Tenn. Bar No. 17908)
WATSON BURNS, PLLC
253 Adams Avenue
Memphis, TN 38103

Donald A. Donati (Tenn Bar No.8633)
William B. Ryan (Tenn. Bar No. 20269)
Bryce W. Ashby (Tenn. Bar No. 26179)
DONATI LAW FIRM, LLP
1545 Union Avenue
Memphis, TN 38104

*Counsel for Plaintiff Brenda J. Wright Youngblood,
and the Settlement Class*

David M. Cook, Esq.
Alan Strain, Esq.
Aaron Cassat, Esq.
THE HARDISON LAW FIRM, P.C.
119 S. Main Street
Suite 300
Memphis, Tennessee 38103

Counsel for Defendant Linebarger Goggan Blair & Sampson, LLP

Exhibit No. 2 – Class Notice

IN THE CHANCERY COURT OF TENNESSEE
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

IF YOU WERE SUED BY THE CITY OF MEMPHIS FOR DELINQUENT REAL PROPERTY TAXES FOR ANY OF THE TAX YEARS 2003 THROUGH 2010 AND YOU LATER FULLY PAID YOUR TAX BILL, YOU MAY BE ELIGIBLE FOR BENEFITS FROM A CLASS ACTION.

PLEASE READ CAREFULLY THIS NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS AND THE ENCLOSED CLAIM FORM. YOUR LEGAL RIGHTS WILL BE AFFECTED.

The purpose of this Notice ("Notice") is to inform you of a proposed class action settlement in this lawsuit (the "Youngblood Action" or "Action") against the law firm Linebarger Goggan Blair & Sampson, LLP (the "Defendant") pending in the Chancery Court of Shelby County, Tennessee. The Action is known as *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Case No. _____. The definitions of various terms used in this Notice can be found in the Class Action Settlement Agreement ("Settlement Agreement"). To view a copy of Settlement Agreement, please visit [www.memphisattorneyfeeclaimsettlement.com.]

1. Description of the Settlement Class:

This Notice affects the following people ("Class"):

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Excluded from the Class are the Judge assigned to this matter and any member of the Judge's staff and immediate family.

2. Description of the Action:

The Action concerns allegations that Defendant, when representing the City of Memphis in the delinquent real property tax collection lawsuits for the tax years 2003 through 2010, collected and received a 20% attorney fee from delinquent tax payers when, under Tennessee law, the most that the Defendant could receive was a 10% attorney fee. The Defendant denies these allegations. The Plaintiff and the Defendant have agreed to settle this Action to avoid the expense and risk of trial. The Defendant has agreed to pay back to each qualifying class member a portion of the allegedly unlawful 10% fee (i.e., the 10% fee less attorneys' fees and expenses awarded by the Court).

To be eligible to receive a cash payment from the Settlement, you must meet the description of the Class in Paragraph 1 above, and you must complete and mail a valid Claim Form postmarked on or before _____, 2013, as explained in Paragraph 3b below.

If you do not want to be part of the settlement, you must by _____, 2013 take the steps to request exclusion described in Paragraph 4b below. Otherwise, you will be bound by all of the terms of the Settlement, including the Release, if approved by the Court.

If you have any questions about any portion of this notice, you may call 1-901-xxx-xxxx or you may visit [www.memphisattorneyfeeclaimsettlement.com] where you may obtain a Claim Form, or view court documents, the Settlement Agreement, and other pertinent materials.

3. **Summary of the Settlement Terms:**

a. If the Settlement is given final approval by the Court and not reversed by any appellate court, Class Members will be eligible to receive a cash payment from Linebarger provided they comply with the claim requirements set forth below.

b. In order to receive a cash payment, Class Members must do the following (i) fill out the Claim Form enclosed in this Notice (which is also found at [www.memphisattorneyfeeclasssettlement.com]) (ii) sign the Claim Form under penalty of perjury before a Notary; and (iii) mail the Claim Form, with first class postage prepaid, so that it is received by the Settlement Administrator (see Paragraph 5b below) and postmarked on or before _____, 2013. For a more detailed description of a qualifying Class Member's documentation requirements, please visit [www.memphisattorneyfeeclasssettlement.com].

c. The total amount of funds made available in this case is \$7,400,000.00 (the "Gross Settlement Amount"). The named Plaintiff, Brenda Youngblood will apply for an award of \$10,000.00 for her services to the Class, which will be paid by Linebarger separate and apart from the Gross Settlement Amount. To date, Class Counsel has not received any payment for their services nor their expenses in conducting the litigation on behalf of the Class. Class Counsel will apply to the Court for an award of attorneys' fees and costs in an amount not to exceed one-third (1/3) of the Gross Settlement Amount. Any attorney fee awarded will be deducted from the Gross Settlement Amount; however, any attorney fee awarded by the Court can and may be used to satisfy all Class member claims. Thus, depending upon the number and amount of Class claims, Class Counsel may ultimately receive little or to no attorney fee. To compensate for this risk (and in addition to any attorney fee award), Linebarger has agreed to pay Class Counsel a risk premium in the amount of \$500,000.00, which shall be paid separate and apart from the Gross Settlement Amount. The Court will consider the applications for award of attorney's fees and costs and incentive awards at the Final Approval Hearing. (See Paragraph 5c. below.)

d. If the proposed settlement is given final approval by the Court, Class Members who have not excluded themselves from the settlement pursuant to Paragraph 4b below will release any and all claims they may have against the Defendants and affiliated persons and entities related to attorney's fees charged in connection with the collection of delinquent real property taxes for the City of Memphis. For a complete statement of the Released Claims, see Sections 18 and 19 of the Settlement Agreement.

e. The Court has preliminarily enjoined all Class Members who do not exclude themselves from the Class from filing, commencing, prosecuting, intervening in, attempting to effect an exclusion of a class of individuals, or otherwise participating as a plaintiff, claimant, or class member in any other lawsuits in any jurisdiction based on the claims at issue in the Action and resolved by this settlement. If the proposed settlement is finally approved by the Court, the Court will enter a that will have a binding effect on all Class Members who have not excluded themselves pursuant to Paragraph 4b. below. Among other things, the will dismiss the Action on the merits with prejudice, will adjudge that the Class has settled and released their claims against the Defendants, and will permanently enjoin Class Members from filing or participating in any lawsuits relating to the claims and causes of action that were asserted or could have been asserted in the Action.

4. **Options Available to Class Members:**

a. You may submit a Claim Form. If you wish to receive a cash payment pursuant to the Settlement, then you must submit a valid Claim Form in accordance with the Settlement Agreement. The Claim Form must be received by the Settlement Administrator and postmarked on or before _____, 2013 as explained above in Paragraph 3b. In the event that the Settlement Administrator does not timely receive a Claim Form, a Class Member may demonstrate that he or she timely mailed the Claim Form by providing proof of mailing through the use of certified mail or any other mail-tracking service. If the Court grants final approval to the Settlement, then you will be bound by this case, as explained above in Paragraph 3e.

b. You may request exclusion from the Settlement. If you exclude yourself from the Settlement, you will not receive a cash payment from the Settlement, but you maintain the ability to bring a lawsuit individually against the Defendant regarding the claims in the Action. If you wish to exclude yourself from the settlement, you must send written notice of your request for exclusion to the Settlement Administrator (see Paragraph 5b below) so that it is received by the Settlement Administrator and postmarked on or before _____, 2013. In the event that the Settlement Administrator does not timely receive a request for exclusion, a Class Member may demonstrate that he or she timely mailed the request by providing proof of mailing through the use of certified mail or any other mail-tracking service. The written notice must include: (i) your name, address, telephone number, and last four digits of your social security number; (ii) the exact statement: "I request to be

excluded from the settlement class. I understand that this exclusion means that I will not receive any benefit available under the proposed settlement.” If you do not exclude yourself from the Settlement in the time and manner provided above, you will be bound by the terms of the Settlement.

c. You may object to the Settlement. If you wish to object to any aspect of the Settlement, Settlement Agreement or the request for attorneys’ fees and costs, you must file a written statement of your objection with the Clerk of Shelby County Chancery Court located at 140 Adams Avenue, Room 308, Memphis, Tennessee 30103 on or before _____, 2013 and mail a copy of the objection to the Settlement Administrator (see Paragraph 5b below) so that it is received by _____, 2013. You may not object if you request exclusion from the Class.

Your written objection must include (i) your name, address, and telephone number, and (ii) a copy of the summons or any other document indicating that you were sued by the City of Memphis for delinquent real property taxes for any of the tax years 2003 through 2010. Your written objection must also include specific reasons for your objection, including any legal support or evidence you wish to bring to the attention of the Court. If you timely file a written objection, you do not need to, but may, appear at the Final Approval Hearing (see Paragraph 5c below), whether in person or through an attorney retained and paid by you. If you or your attorney intends to appear at the Final Approval Hearing, you or your attorney must file a written Notice of Intention to Appear with the Clerk of Shelby County Chancery Court located at 140 Adams Avenue, Room 308, Memphis, Tennessee 30103 on or before _____, 2013 and mail a copy of the notice to the Settlement Administrator (see Paragraph 5b below) so that it is received by _____, 2013. If you do not make an objection in the time and manner provided above, you will be forever barred from making any objection to the Settlement, unless otherwise ordered by the Court.

5. **Other Important Information Regarding the Settlement:**

a. The Court has appointed the following attorneys as Class Counsel:

Frank L. Watson, III, Esq.
William F. Burns, Esq.
WATSON BURNS, PLLC
253 Adams Avenue
Memphis, Tennessee 38103

Regardless of which option you select under Paragraph 4 above, you have the right to retain your own attorney in this matter, but if you do hire an attorney, you will be responsible for paying your own attorney’s fees and expenses.

b. The Settlement Administrator for the Settlement is _____, which may be contacted at:

CMM Settlement Solutions
P.O. Box 17233
Memphis, Tennessee 38233
(901) 859-5150

c. The Court will hold a Final Approval Hearing on _____, 2013 to consider whether the proposed settlement is fair, reasonable, and adequate, and should be finally approved. The Final Approval Hearing will take place in the courtroom of Chancellor _____ at ____:____.m. The Final Approval Hearing may be continued or postponed to a later date without further notice to Class Members. The settlement may be approved with modifications, if any, consented to by Class Counsel and counsel for the Defendants without further notice.

IF YOU HAVE ANY QUESTIONS ABOUT ANY PORTION OF THIS NOTICE, YOU MAY CALL 1-877-xxx-xxxx OR YOU MAY VISIT [www.memphisattorneyfeeclasssettlement.com] WHERE YOU MAY OBTAIN A CLAIM FORM, OR VIEW COURT DOCUMENTS, THE SETTLEMENT AGREEMENT, AND OTHER PERTINENT MATERIALS.

PLEASE DO NOT CALL OR WRITE LINEBARGER, THE COURT, OR THE CLERK’S OFFICE.

Exhibit No. 3 – Claim Form

CLAIM FORM

DELINQUENT REAL PROPERTY TAX FEE OVERCHARGE CLASS ACTION
Youngblood v. Linebarger Goggan Blair & Sampson, LLP, Case No. _____

To be eligible for a cash payment from the Settlement, you must timely submit this completed Claim Form and Verification and satisfy all of the requirements in the Settlement Agreement:

First Name: _____ Last Name: _____

Current Mailing Address: _____; Phone _____

Were You sued by the City of Memphis (the "City") for delinquent real property taxes for any of the tax years 2003 through 2010? YES ___; NO ___

If You answered "Yes" to the above question, did You fully pay your property tax bill after you were sued?

YES ___; NO ___

If You answered "Yes" to the two above questions, please fill in the Address of your Property that was the subject of the City's tax suit, the Parcel Number of your Property, and each tax year for which you were sued:

ADDRESS OF PROPERTY (Street Address, City and Zip Code)

PARCEL NUMBER OF YOUR PROPERTY (located on your tax bill)

EACH TAX YEAR THAT YOU WERE SUED

YOU MUST SIGN THE VERIFICATION BELOW BEFORE A NOTARY PUBLIC (IF YOU DO NOT DO SO, THIS CLAIM FORM WILL BE REJECTED AND YOU WILL RECEIVE NO MONEY)

STATE OF TENNESSEE

COUNTY OF _____

I, _____, being duly sworn, makes oath that the following facts are true and correct (i) I was sued by the City for delinquent real property taxes for the Property and tax years listed above, (ii) that following the City's tax suit against me, I fully paid the taxes owed for this Property, and (iii) that all information in this Claim Form is truthful and accurate.

Signature: _____

Sworn to and subscribed before me this _____ day of _____, 2013

Notary's Signature and Seal

My commission expires: _____

This completed Claim Form **must be submitted by [DATE]** to be eligible to receive the relief set forth in the Settlement Agreement. All claims are subject to verification by the Settlement Administrator for compliance with the terms of the Settlement Agreement. **This completed Claim Form, must be mailed postage prepaid to:**

**CMM SETTLEMENT SOLUTIONS
P.O. BOX 17233
MEMPHIS, TENNESSEE 38187**

All terms used herein have the meanings set forth in the Settlement Agreement

**Exhibit No. 4 – [Proposed] Final Order Approving Class
Settlement**

IN THE CHANCERY COURT OF TENNESSEE
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS

BRENDA J. WRIGHT YOUNGBLOOD, on)
behalf of herself and all similarly situated)
persons and entities,)

Case No. _____

PLAINTIFFS,)

v.)

LINEBARGER GOGGAN BLAIR &)
SAMPSON, LLP, a Texas limited liability)
partnership)

DEFENDANTS.)

**[PROPOSED] FINAL ORDER APPROVING CLASS SETTLEMENT AND
AWARDING CLASS COUNSEL ATTORNEYS' FEES AND INCENTIVE AWARD**

This matter came before this Court on _____, 2013 for a final approval hearing for the settlement embodied in the Class Action Settlement Agreement (“Agreement”) between Plaintiff Brenda J. Wright Youngblood (hereinafter referred to as “Plaintiff”), on behalf of herself and a class of similarly situated persons and entities as defined below, and Linebarger, Goggan, Blair & Sampson, LLP, a Texas limited liability partnership (hereinafter referred to as “Linebarger” or “Defendant”). Having considered the filings of the Parties and the arguments of counsel at the _____, 2013 hearing, and good cause appearing therefore, this Court issues the following factual findings and conclusions of law and orders as follows:

Factual and Procedural Background

Plaintiff originally filed this action against Linebarger in the United States District Court for the Western District of Tennessee on April 22, 2010 (the “Federal Action”), alleging that Linebarger charged and received an unlawful legal fee from her and other delinquent real property tax payers when pursuing property tax collection suits on behalf of the City of Memphis. (See, Class Action Complaint, D.E. 1 filed in *Brenda J. Wright Youngblood on behalf of herself and all similarly situated persons v. Linebarger Goggan Blair & Sampson, LLP*, Docket No. 2:10-cv-02304, assigned to the Honorable Judge Samuel “Hardy” Mays). Plaintiff specifically alleged that Linebarger charged and received a 20% attorney (calculated on the base amount of the delinquent tax owed) when in fact Tennessee law provides that the most that could be charged and awarded to Linebarger was a 10% fee, as set forth in TENN. CODE ANN. § 67-5-2410(a)(1)(A) and TENN. CODE ANN. § 67-5-2404(a)(2)(A). *Id.*

The Federal Action asserted claims under the Tennessee Consumer Protection Act (hereinafter referred to as the “TCPA”) of 1977, as amended, TENN. CODE ANN. §§ 47-18-101 to 47-18-125, Conversion, Unjust Enrichment, Constructive Trust, Negligence and Gross Negligence and Punitive Damages in order to remedy this allegedly unlawful conduct. *Id.* Linebarger filed an Answer denying these allegations and claims,

Thereafter, Linebarger filed certain Motions to Dismiss the Federal Action which asserted, *inter alia*, that the District Court did not have subject matter jurisdiction over the Federal Action for a number of legal reasons. On March 22, 2011, the District Court dismissed Plaintiff’s claims for violation of the TCPA and for Negligence and Gross Negligence but otherwise denied these Motions in the opinion *Wright v. Linebarger Goggan Blair & Sampson, LLP*, 782 F. Supp.2d 593 (W.D. Tenn. Mar. 22, 2011). On March 26, 2012, the District Court

denied Linebarger's Motion for Permission to pursue an interlocutory appeal under 28 U.S.C § 1292(b) of that Order. *See Wright v. Linebarger Goggan Blair & Sampson, LLP*, No. 10-2304, 2012 U.S. Dist. LEXIS 40948 (W.D. Tenn. Mar. 26, 2012).

On September 30, 2012, the District Court certified a Class in the Federal Action defined as follows:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Youngblood v. Linebarger Goggan Blair & Sampson, LLP, No. 10-2304, 2012 U.S. Dist. LEXIS 142792 (W.D. Tenn. Sept. 30, 2012).

On October 15, 2012, Linebarger petitioned the United States Court of Appeals for the Sixth Circuit for permission to appeal the District Court's certification decision to which Plaintiff filed an Answer in Opposition on October 25, 2013. On October 25, 2012, Plaintiff filed her Answer in Opposition to Linebarger's Petition to Appeal. The Sixth Circuit issued its Order denying Linebarger's Petition on November 27, 2012.

During and after class certification was granted in the Federal Action, the Parties engaged in extensive merits related discovery in the Federal Action. Defendant produced well in excess of 50,000 documents in response to Plaintiff's documents requests and provided numerous witnesses for deposition. (Declaration of Frank L. Watson, III at ___). Further Defendant deposed Plaintiff as well as certain witnesses of the City of Memphis. Furthermore, the Parties retained and designated expert witnesses. The Parties concluded merits discovery in the Federal Action on April 1, 2013.

On April 2, 2013, Defendant filed a Motion for Summary Judgment which, *inter alia*, challenged the District Court's subject matter jurisdiction on legal grounds that had not been

previously considered and addressed by the District Court.

On April 10 and 11, 2013, the Parties conducted mediation before John Golwen, Esq. of BASS, BERRY & SIMS and, after extensive arm's length negotiations, were able to reach a proposed resolution, with Mr. Golwen's approval. On May 5, 2013, Judge Mays held a status conference during which the Parties announced that they had reached an agreement to settle the Class claims but that they were concerned that any settlement that might be ultimately approved by the District Court could be subject to attack at a later date by virtue of Linebarger's allegations that the District Court lacked subject matter jurisdiction. (*See* D.E. 215 in the Federal Action).

Subsequently, the Parties advised Judge Mays that they wished to pursue settlement of the Class claims in Tennessee State Court in order to avoid any issue as to subject matter jurisdiction. (D.E. 217 in the Federal Action). As a result, the District Court permitted the Parties to pursue settlement approval in State Court and administratively closed the Federal Action on May 8, 2013. (D.E. 218, Order Administratively Closing Case in the Federal Action). This action was then filed by the Parties solely for the purposes of pursuing settlement of the Class members' claims in this forum.

On June __, 2013, this Court preliminarily approved the proposed Settlement for purposes of providing notice to the Class of the Settlement, approved the forms of Class Notice and Claim Form, approved the method of notice to the Class, and appointed a Settlement Administrator. In connection therewith, pursuant to Tenn. R. Civ. P. 23.02(3) and 23.03(3), this Court hereby certified the following settlement Class:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Excluded from the Class are the Judge assigned to this matter and any member of the Judge's staff and immediate family.

This Class is identical to the Class previously certified by the District Court under Federal; Rule 23(b)(3).

Notice to the Settlement Class Members Complied with Due Process and the Settlement Is Fair Reasonable and Adequate

Notice to the Class was given in accordance with this Court's _____, 2013 Order. The Settlement Administrator mailed the Class Notice to the Class members on _____, 2013. The Settlement Administrator has also maintained a settlement website at www.Memphisattorneyfeeclassttlement.com since this Court's preliminary approval of the Settlement. During that time, the settlement website has contained information relating to the proposed Settlement and has hosted downloadable copies of the Agreement, the Class Notice, the Claim Form, and other relevant documents.

Tennessee Rule of Civil Procedure 23.05 provides, in pertinent part, a "certified class action shall not be voluntarily dismissed or compromised without approval of the court, and notice of the proposed dismissal or compromise shall be given to all members of the class in such manner as the court directs."

In Tennessee, class action settlements are judicially favored. *See, In re High Pressure Laminate Antitrust Litig.*, No. M2005-01747-COA-R3-CV, 2006 Tenn. App. LEXIS 786 at *11 (Tenn. Ct. App. Dec. 13, 2006); *see also, Denver Area Meat Cutters v. Clayton*, 209 S.W.3d. 584, 590 (Tenn. Ct. App. 2006). This is not to say that the Court may blindly implement any settlement that the parties propose. Nevertheless, no Tennessee state case outlines the exact standards that should be addressed when approving or disapproving a proposed Class settlement. Instead, it appears that Tennessee courts generally follow federal precedent that the Settlement

must be “fair, adequate and reasonable under the circumstances.” *Denver Area Meat Cutters*, 209 S.W.3d. at 591. The most important consideration in determining whether a settlement is fair is the strength of plaintiff’s case on the merits weighed against the amount offered in settlement. *Id.* In this Action, the Gross Settlement Amount (\$7,400,000.00) to be paid on a “claims made” basis approximately represents the 10% attorney fee which Plaintiff alleges is unlawful; thus, unless Plaintiff could convince a court to require total fee disgorgement in this Action, Plaintiff and the Class are being offered their full out-of-pocket damages (with the exception of pre-judgment interest and punitive damages). This is a substantial sum to offer to the Class and thus weighs heavily in favor of the fairness and adequacy of the Settlement.

Other factors examined by federal courts include (a) the risks, expense, and delay of further litigation; (b) the judgment of experienced counsel who have competently evaluated the strength of their proofs; (c) the amount of discovery completed and the character of the evidence uncovered; (d) whether the settlement is fair to the unnamed class members; (d) objections raised by class members; (e) whether the settlement is the product of arm’s length negotiations as opposed to collusive bargaining; and (g) whether the settlement is consistent with the public interest In this case. *See e.g. In re Southeastern Milk Antitrust Litig.*, 2103 U.S. Dist. LEXIS 70163 (M.D. Tenn. May 17, 2103). Each of these factors warrants finding the Settlement fair, adequate and reasonable.

First, the risks and expense to the Class if litigation continues is significant. Linebarger has vigorously defended the Federal Action and clearly will continue to do so if settlement is not achieved. Linebarger has also filed a Motion for Summary Judgment, which if granted would finally conclude the Class member’s claims with no compensation whatsoever. The complexity of this case further weighs in favor of approving the Settlement; indeed, no court has ruled on the

legality of the attorney's fees at issue in this matter and thus, novel legal issues are present. Moreover, Class Counsel has incurred \$_____ in out-of-pocket expenses, a number that will continue to climb if this matter is not resolved. The Court finds that the immediate recovery of substantial monetary relief provided by the Settlement far outweighs the risk and commitment of time inherent in further litigation of this complex matter.

Second, the judgment of experienced class counsel representatives regarding the Settlement should be given significant weight. Here, Plaintiff and the Class have been represented by Watson Burns, a law firm with extensive experience in class action litigation. Indeed, Judge Mays found that Watson Burns "has acted as defense and plaintiffs' counsel in class action litigation in courts throughout the country." *Youngblood v. Linebarger Goggan Blair & Sampson, LLP*, No. 10-2304, 2012 U.S. Dist. LEXIS 142792 at * 25 (W.D. Tenn. Sept. 30, 2012). Class Counsel's recommendation that this Action be settled in the manner described in the Agreement is a substantial factor in favor of approval of the Settlement.

Third, the amount of discovery completed in the Federal Action has been enormous. Linebarger has produced over 50,000 documents which have been reviewed by Class Counsel and over 15 depositions of key witnesses have been taken. Furthermore, the Parties engaged and disclosed expert witnesses and all discovery has been concluded. Thus, this factor also weighs in favor of the proposed Settlement.

Fourth, the Settlement is fair to the unnamed Class members. Each Class member who timely and properly makes a claim will receive his or her *pro rata* portion of the 10% overcharge, after taking into account attorney's fees and expenses and the number of class made against the net settlement amount. Thus, the Settlement treats each Class member alike and is fair.

Fifth, the Settlement was clearly the product of arm's length negotiations and has no collusive aspect. Indeed, the Parties originally mediated the Federal Action before Class certification was ruled upon in July 2012. That mediation was not successful. Thereafter, mediator John Golwen, Esq., a partner and noted commercial trial attorney of BASS, BERRY & SIMS, conducted a two-day mediation with the Parties, after class certification had been ruled upon and all discovery had been completed. Because the Settlement was reached with the assistance and review of Mr. Golwen after an intense litigation period of over three years, the Court finds that all aspects of the Agreement are devoid of fraud, collusion or conflict of interest and were reached fairly and appropriately at arm's length.

Therefore, the Class Notice and the notice methodology implemented pursuant to the Agreement were the best practicable notice and fully complied with due process, and the Settlement and the Agreement are fair, reasonable and adequate in all respects.

Class Counsel's Application for Attorneys' Fees and Expenses Are Fair and Reasonable and Comply with RPR 1.5

Class Counsel has also filed a separate Motion for an Award of Attorneys' Fees and Expenses in which it requests that it be awarded one-third of the Gross Settlement Amount. The Gross Settlement Amount is clearly a common fund that, without the diligent and extensive efforts of Class Counsel, would not have been created. Under Tennessee law, where a common fund is created in a class action, awarding Class Counsel a percentage of this benefit is the proper method for awarding attorneys' fees. *Denver Area Meat Cutters*, 209 S.W.3d. at 593.

Furthermore, an award of one-third of the common fund is a reasonable and fair amount, which both Tennessee courts and federal courts have frequently used to award fees to class counsel. *Denver Area Meat Cutters*, 209 S.W.3d. at 593 (affirming trial court's finding that "one-third is a reasonable percentage" to be awarded from class action common fund, despite the

disparity between the attorney fee and amounts to be paid to class members); *see also, Garcia v. Gordon Trucking, Inc.*, No. 1:10-CV-0324 AWI SKO, 2012 U.S. Dist. LEXIS 160052, 2012 WL 5364575 (E.D. Cal. Oct. 31, 2012) (court approving attorneys' fees in the amount of 33 percent of the common fund); *Applegate-Walton v. Olan Mills, Inc.*, 2010 U.S. Dist. LEXIS 77965 at * 6 (M.D. Tenn. Aug. 2, 2010)(approving one-third fee in wage and hour case); *Romero v. Producers Dairy Foods, Inc.*, No. 1:05-cv-0484-DLB, 2007 U.S. Dist. LEXIS 86270, 2007 WL 3492841, at * 4 (E.D. Cal. Nov. 14, 2007) (class-action settlement where court approved attorneys' fees in the amount of 33 percent of common fund).

The Court also finds that Class Counsel's fee request complies with Rule 1.5(a)(1) – (10) of the Rule of Professional Responsibility. That Rule provides:

- (a) A lawyer's fee and charges for expenses shall be reasonable. The factors to be considered in determining the reasonableness of a fee include the following:
- (1) The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
 - (2) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
 - (3) The fee customarily charged in the locality for similar legal services;
 - (4) The amount involved and the results obtained;
 - (5) The time limitations imposed by the client or by the circumstances;
 - (6) The nature and length of the professional relationship with the client;
 - (7) The experience, reputation, and ability of the lawyer or lawyers performing the services;
 - (8) Whether the fee is fixed or contingent;
 - (9) Prior advertisements or statements by the lawyer with respect to the fees the lawyer charges; and
 - (10) Whether the fee agreement is in writing.

Tenn. Sup. Ct. R. 8, RPC 1.5.

Before addressing each of these factors, the Court notes that Class Counsel's fee, if any, was contingent on the outcome of the Action, as inquired by Rule 1.5(a)(8). Given this fact and the fact that this Action presented unique and unsettled legal issues, there was significant risk that Class Counsel would receive no fee for its services in this matter. Thus, Class Counsel's compensation should take into account this significant risk, resulting in an award in excess of the hourly rates charged by defense counsel for comparable class action defense work.

Against this backdrop, the Court first finds that Class Counsel has expended enormous time and effort in this matter, having amassed ___ hours in time as well as _____ in out-of-pocket expenses which were devoted to court reporting fees, expert fees and other discovery related expenses. The Court further finds that plaintiff class action litigation is an area of the law that few Tennessee firms practice and requires substantial skill and expertise in order to effectively represent clients. Additionally, aside from the complexity inherent in any class action prosecution, this Action involved issues regarding complex issues such as the *Rooker Feldman* doctrine as well as novel issues of law regarding the legality of the fees at issue and the alleged immunity of attorneys acting as litigation counsel. Thus, the Court finds that the skill and time demanded from and provided by Class Counsel was significant and exemplary under Rule 1.5(a)(1).

Second, under Rule 1.5(a)(2), the Court finds that this Action, given its protracted and complex nature, has precluded Class Counsel from other litigation work. The Plaintiff expressly acknowledges this fact and supports her attorney's fee application. In this regard, it should be noted that, under Rule 1.5(a)(10), Plaintiff executed a written fee agreement with Class Counsel in which she expressly agreed to serve as a class representative and to pay a one-third

contingency fee to Class Counsel.

Third, pursuant to Rule 1.5(a)(3), the Court finds that the fee customarily charged by plaintiff's counsel in Memphis is a one-third contingency fee, with contingency fees up to 40% and even 45% in certain circumstances. Thus, the Court finds that Class Counsel's fee is well within the norm of those contingency fees charged in this locality for complex and class action litigation.

Fourth, pursuant to Rule 1.5(a)(4), it is clear that the results obtained by Class Counsel in this case are excellent. As noted above, Class Counsel has negotiated a Gross Settlement that approximates the out-pocket damages sustained by the Class (except as full fee disgorgement and punitive damages). Such a result, particularly in light of the vigorous defense mounted by Defendant in the Federal Action, supports a one-third fee from the Gross Settlement.

Fifth, under Rule 1.5(a)(7), the Court finds that the experience, reputation, and ability of Class Counsel is substantial. Class Counsel has successfully litigated and resolved numerous class action matters. This case is no exception.

Lastly, while Class Counsel had not previously represented Plaintiff prior to this Action, the length of Class Counsel's relationship with Plaintiff has now lasted over three years. This is a significant time for one legal matter and demonstrates that Plaintiff and Class Counsel have established a successful working relationship.

Based on all the forgoing findings, the Court grants Class Counsel's Motion for an Award of Attorneys' Fees and Expenses.

Final Approval Order

The Court has heard all persons properly appearing and requesting to be heard, has considered the papers submitted in support of the proposed settlement and the oral presentations

of counsel, has considered all applicable law, and has considered any objections properly made to the proposed settlement. Based on all the foregoing findings of fact and conclusions of law, the Court finds that there is no just reason for delay of the entry of this Final Order Approving Settlement ("Final Approval Order").

IT IS HEREBY ADJUDGED, ORDERED AND DECREED THAT:

1. This Final Approval Order adopts and incorporates the Agreement, the terms defined therein, and all exhibits thereto; provided, however, that the Parties are hereby authorized to agree to and to adopt such amendments to, and modifications and expansions of, the Agreement, its exhibits, and any amendments thereto as (i) are consistent in all material respects with this Final Approval Order, and (ii) do not reduce the rights of the Class members under the Agreement or this Final Approval Order.

2. This Court has jurisdiction over the claims of the Class members asserted in this action, personal jurisdiction over the settling parties (including the Class members), and subject matter jurisdiction to approve the Settlement in the Agreement.

3. The applicable requirements of Tennessee Rule of Civil Procedure 23 have been met with respect to the Class. This Court confirms the certification of the Class in the June __, 2013 Order for purposes of the Settlement defined as follows:

Plaintiff and all similarly situated persons and entities who responded to notice of a delinquent real property tax suit filed by Linebarger Goggan Blair & Sampson, LLP on behalf of the City of Memphis for the tax years 2003 to the present and who paid a 20% fee that Linebarger Goggan Blair & Sampson, LLP received.

Excluded from the Class are the Judge assigned to this matter and any member of the Judge's staff and immediate family

4. The Class Notice and the notice methodology implemented pursuant to the Agreement were the best practicable notice and were reasonably calculated, under the

circumstances, to apprise Class members of the Actions, of the proposed Settlement, and of their rights to object to or to request exclusion from the Settlement, to appear at the Final Approval Hearing, and to submit a claim for monetary payment. The Class Notice was due, adequate, and sufficient notice to all persons entitled to receive notice and complied with the requirements of Due Process. Furthermore, the Class Notice fully complies with Tenn. R. Civ. P. 23.05, including properly providing proper notice to the Class of the attorney's fees and expenses and all other payments sought by Class Counsel in this matter.

5. Full opportunity has been afforded to all Class members to request exclusion from the Settlement, to file objections to the Settlement, and to participate in the Final Approval Hearing. All Class members and other persons wishing to be heard have been heard.

6. The Opt-Out List provided by the Settlement Administrator and attached to this Final Approval Order as **Exhibit A** is approved, and the individuals and companies listed on **Exhibit A** to this Final Approval Order is a complete list of all persons who have timely and properly requested exclusion from the Settlement and, therefore, are not members of the Class. Accordingly, the persons on Exhibit A are not parties to this Action and shall neither share in nor be bound by this Final Approval Order.

7. Class Counsel and the Named Plaintiff adequately represented the Class for the purpose of entering into and implementing the Agreement.

8. The Court hereby grants final approval to the Settlement and the Agreement and finds that the Settlement is fair, adequate, reasonable, and in the best interests of each of the Plaintiffs and Class Members and is consistent and in compliance with all requirements of Due Process. The Court further directs the Parties and their counsel to implement and to consummate the Agreement in accordance with its terms and provisions, including the payment of all benefits

to Class members, incentive awards and all monetary obligations due to Class Counsel as set forth in the Agreement.

9. The Court finds that Class Members may continue to submit Claim Forms pursuant to the Agreement and subject to Sections 25 through 28 of the Agreement. All Claim Forms must be received by the Settlement Administrator and postmarked no later than _____, 2013.

10. The Court approves and directs that, within ___ days of entry of this Order, Linebarger shall pay Qualified Class Members who submit timely and appropriate Claim Forms, as determined by the Settlement Administrator under Section 27 (but subject to Section 28) of the Agreement and shall make any other payments required to be made under the Agreement.

11. The Named Plaintiff and the Class have conclusively compromised, settled, discharged, dismissed, and released any and all Released Claims (as defined in the Agreement) against Linebarger and the City of Memphis to the extent and as set forth in the Agreement.

15. Plaintiff and all Class Members who have not been excluded from the Class, whether or not they submit a Claim Form, shall be barred from asserting any Released Claims against Linebarger and the City of Memphis, and any such Class Members shall have released any and all Released Claims as against Linebarger and the City of Memphis. The Release is set forth in full at paragraphs 18 and 19 of the Agreement and is incorporated by reference into this Final Approval Order.

16. Plaintiff and all Class Members who are not identified in the Opt-Out List are enjoined from filing, commencing, prosecuting, intervening in, or participating as a plaintiff, claimant, or class member in any other lawsuit or administrative, regulatory, arbitration, or other proceeding in any jurisdiction based on, relating to, or arising out of the claims and causes of

action, or the facts and circumstances alleged in this Action and/or relating to the Released Claims (as defined in the Agreement).

17. The Court approves the Attorney Fee and Expense Award in the amount of \$_____ to Class Counsel. The Court finds that this amount is reasonable and in compliance with Rule 1.5 of the Rules Professional Conduct. The Court further approves the payment of \$_____ as an Incentive Award to Plaintiff.

18. It is further ordered that the Agreement and the Settlement provided for therein, and any proceedings taken pursuant thereto, are not, and should not in any event be offered or received as evidence of, a presumption, a concession, or an admission of liability or of any allegation made against Linebarger provided, however, that reference may be made to the Agreement and the Settlement provided for therein in such proceedings as may be necessary to effectuate the provisions of the Agreement.

19. This Court reserves jurisdiction over Linebarger, the Plaintiff, and the Class as to all matters relating to the administration, consummation, enforcement, and interpretation of the terms of the Settlement, the Agreement, and this Final Approval Order, and for any other necessary purposes.

DATED this ___ day of _____, 2013

CHANCELLOR

APPROVED FOR ENTRY:

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Exhibit No. 5 – [Proposed] Final Judgment

IN THE CHANCERY COURT OF TENNESSEE
FOR THE THIRTIETH JUDICIAL DISTRICT AT MEMPHIS

BRENDA J. WRIGHT YOUNGBLOOD, on)
behalf of herself and all similarly situated)
persons and entities,)

Case No. _____

PLAINTIFFS,)

v.)

LINEBARGER GOGGAN BLAIR &)
SAMPSON, LLP, a Texas limited liability)
partnership)

DEFENDANTS.)

[PROPOSED] FINAL JUDGMENT

Pursuant to Rule 58 of the Tennessee Rules of Civil Procedure, the Court hereby enters judgment in this matter in accordance with the Final Approval Order, which fully approved the Class Settlement in this matter.

IT IS HEREBY ORDERED, ADJUDGED, DECREED AS FOLLOWS:

This action is dismissed with prejudice in accordance with the Final Approval Order.

Any statutory court costs shall be assessed to Defendant.

DATED this ___ day of December, 2014

CHANCELLOR

APPROVED FOR ENTRY:

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